

2003 DRAFTING REQUEST**Bill**Received: **01/16/2003**Received By: **jkreye**Wanted: **As time permits**Identical to LRB: **2001 AB702**For: **Mark Pettis (608) 267-2365**By/Representing: **al**This file may be shown to any legislator: **NO**Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax - property**

Extra Copies:

Submit via email: **YES**Requester's email: **Rep.Pettis@legis.state.wi.us**Carbon copy (CC:) to: **joseph.kreye@legis.state.wi.us****Pre Topic:**

No specific pre topic given

Topic:

Paying personal property taxes by installments

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 01/24/2003	kfollett 02/07/2003					S&L
/1			jfrantze 02/07/2003		amentkow 02/07/2003	lemery 02/24/2003	

FE Sent For:

<END>

→ At
Intro.

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1/?	jkreye	1/1 Kjf	2/7	2/7			

FE Sent For:

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1-16

al — Rep Lettin

re draft 01- AB 702

paying personal property taxes
in installments

1545/1

RM not run
in 1-24-03

PWF

2001 ASSEMBLY BILL 702

January 4, 2002 - Introduced by Representatives PETTIS, MUSSER, RYBA and FREESE, cosponsored by Senator DARLING. Referred to Committee on Ways and Means.

Regen

- 1 AN ACT *to repeal* 74.11 (4), 74.11 (11) (b) and 74.12 (6); and *to amend* 74.11 (2)
- 2 (intro.), 74.11 (5), 74.11 (7), 74.11 (8), 74.11 (10) (a), 74.11 (11) (a), 74.12 (1) (a),
- 3 74.12 (6m), 74.12 (7), 74.12 (8) and 74.12 (9) (a) of the statutes; **relating to:** the
- 4 payment of personal property taxes.

Analysis by the Legislative Reference Bureau

Under current law, taxes on real property must be paid either in full on or before January 31 or in two equal installments, with the first installment due on or before January 31, and the second installment due on or before July 31. The governing body of a taxation district may also enact an ordinance that allows the payment of taxes on real property in three or more installments. Under current law, taxes on personal property must be paid in full on or before January 31.

Under this bill, taxes on personal property must be paid either in full on or before January 31 or in two equal installments, with the first installment due on or before January 31, and the second installment due on or before July 31. Under the bill, the governing body of a taxation district may also enact an ordinance that allows the payment of taxes on personal property in three or more installments.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

ASSEMBLY BILL 702

SECTION 1

SECTION 1. 74.11 (2) (intro.) of the statutes is amended to read:

74.11 (2) REAL PROPERTY, ~~PERSONAL PROPERTY~~, AND LEASED IMPROVEMENT TAXES.

(intro.) All taxes on real property, on personal property, and on improvements on leased land shall be paid in one of the following ways:

SECTION 2. 74.11 (4) of the statutes is repealed.

SECTION 3. 74.11 (5) of the statutes is amended to read:

74.11 (5) WHEN NO ~~INSTALLMENTS~~ ^{plain} INSTALLMENTS. If the total real property tax levied on a parcel of property is less than \$100, or if the total personal property tax levied on an item of personal property is less than \$100, or if the total property tax levied on an improvement on leased land is less than \$100, it shall be paid in full on or before January 31.

SECTION 4. 74.11 (7) of the statutes is amended to read:

74.11 (7) DELINQUENT FIRST ~~INSTALLMENT~~ ^{plain} INSTALLMENT. If the first ~~installment~~ ^{plain} installment of taxes ~~on real property or improvements on leased land~~ under sub. (2) (b) is not paid on or before January 31, the entire amount of the taxes remaining unpaid is delinquent as of February 1.

SECTION 5. 74.11 (8) of the statutes is amended to read:

74.11 (8) DELINQUENT 2ND ~~INSTALLMENT~~ ^{plain} INSTALLMENT. If the 2nd ~~installment~~ ^{plain} installment of taxes ~~on real property or improvements on leased land~~ under sub. (2) (b) is not paid on or before July 31, the entire amount of the taxes remaining unpaid is delinquent as of August 1 and interest and penalties are due under sub. (11).

SECTION 6. 74.11 (10) (a) of the statutes is amended to read:

74.11 (10) (a) If all special assessments, special charges, and special taxes and ~~personal property taxes~~ due under sub. (3) ~~or (4)~~ are not paid in full on or before the

ASSEMBLY BILL 702

SECTION 6

1 due date, the amounts unpaid are delinquent as of the day after the due date of the
2 first ~~installment~~ ^{plain} installment or of the lump-sum payment.

3 SECTION 7. 74.11 (11) (a) of the statutes is amended to read:

4 74.11 (11) (a) All real property taxes, personal property taxes, special charges,
5 and special taxes that become delinquent shall be paid, together with interest and
6 penalties charged from the preceding February 1, to the county treasurer. All special
7 assessments that become delinquent shall be paid, together with interest and
8 penalties charged from the day after the due date of the first installment or of the
9 lump-sum payment.

10 SECTION 8. 74.11 (11) (b) of the statutes is repealed.

11 SECTION 9. 74.12 (1) (a) of the statutes is amended to read:

12 74.12 (1) (a) The governing body of any taxation district, except a taxation
13 district under s. 74.87, may, by ordinance, authorize the payment of taxes on real
14 property and, personal property, improvements on leased land or, special
15 assessments, or both these all such taxes and assessments in 3 or more ~~installments~~
16 ^{plain} installments. An ordinance enacted under this paragraph, or any repeal of, or
17 amendment to, such an ordinance applies to the collections of a calendar year only
18 if it is enacted on or before August 15 of the preceding calendar year.

19 SECTION 10. 74.12 (6) of the statutes is repealed.

20 SECTION 11. 74.12 (6m) of the statutes is amended to read:

21 74.12 (6m) WHEN NO ~~INSTALLMENTS~~ ^{plain} INSTALLMENTS. If the total real property tax
22 is less than \$100, or if the total personal property tax levied on an item of personal
23 property is less than \$100, or if the total property tax levied on an improvement on
24 leased land is less than \$100, it shall be paid in full on or before January 31.

25 SECTION 12. 74.12 (7) of the statutes is amended to read:

1 74.12 (7) DELINQUENT FIRST ~~INSTALLMENT~~ ^{plain} INSTALLMENT. If the first ~~installment~~ ^{plain}
2 installment of real property taxes, personal property taxes ~~on improvements on~~
3 leased land or special assessments to which an installment option pertains is not paid
4 on or before January 31, the entire amount of the remaining unpaid taxes or special
5 assessments to which an ~~installment~~ ^{plain} installment option pertains on that parcel is
6 delinquent as of February 1.

7 SECTION 13. 74.12 (8) of the statutes is amended to read:

8 74.12 (8) DELINQUENT 2ND OR SUBSEQUENT ~~INSTALLMENT~~ ^{plain} INSTALLMENT. If the 2nd
9 or any subsequent ~~installment~~ ^{plain} installment payment of real property taxes, personal
10 property taxes ~~on improvements on leased land~~ or special assessments to which an
11 ~~installment~~ ^{plain} installment option pertains is not paid by the due date specified in the
12 ordinance, the entire amount of the remaining unpaid taxes or special assessments
13 to which an ~~installment~~ ^{plain} installment option pertains on that parcel is delinquent as
14 of the first day of the month after the payment is due and interest and penalties are
15 due under sub. (10).

16 SECTION 14. 74.12 (9) (a) of the statutes is amended to read:

17 74.12 (9) (a) If all special assessments to which an ~~installment~~ ^{plain} installment
18 option does not pertain, special charges, and special taxes ~~and personal property~~
19 taxes that are due under sub. (5) ~~or (6)~~ [✓] are not paid in full on or before January 31,
20 the amounts unpaid are delinquent as of February 1.

21 SECTION 15. Initial applicability.

22 (1) This act first applies to the property tax assessments as of January 1, ~~2001~~ ²⁰⁰³
23

(END)

Emery, Lynn

From: Colvin, Alan
Sent: Monday, February 24, 2003 2:17 PM
To: LRB.Legal

The Office of Rep. Pettis needs jackets for the following LRBs.

1340
1557
1402
1597
1512
1545

Alan Colvin



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET
P. O. BOX 2037
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561
REFERENCE SECTION: (608) 266-0341
FAX: (608) 266-5648

STEPHEN R. MILLER
CHIEF

LRB

March 17, 2003

MEMORANDUM

To: Representative Pettis

From: Joseph T. Kreye, Legislative Attorney, (608) 266-2263

Subject: Technical Memorandum to **2003 AB 146** (LRB-1545/1)

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

March 17, 2003

TO: Joseph Kreye
Legislative Reference Bureau

FROM: Dennis Collier
Department of Revenue

SUBJECT: Technical Memorandum on AB 146 – Paying Personal Property Taxes by Installments

Under the bill, personal property taxes may be paid in two installments. The second installment as well as payments of interest and penalties on delinquent personal property taxes are to be paid to the county. However, the draft does not change the provision whereby the taxation district pays to the other taxing jurisdictions all personal property taxes included in the tax roll as part of the February settlement. Also, the draft does not amend sec. 74.29, Wis. Stats., to include personal property taxes as part of the August settlement. Thus, the municipality has paid in full all personal property taxes but does not receive second installments or interest and penalty payments from the county.

The author may wish to consider alternatives to the current settlement procedure under the bill. One alternative would be to have the personal property tax roll transferred to the county treasurer at the February settlement as is the case for real property. As part of this alternative, the county treasurer would "buy" the personal property tax roll, i.e. pay in full all personal property taxes. The county would then retain any interest and penalties paid on delinquent personal property taxes. The second alternative would be to have the second installment of personal property taxes collected by the taxation district. This would be similar to the payment procedures for personal property taxes on improvements on leased land. A third alternative would be to clarify the settlement under the bill, whereby the county would settle with the taxation district for all taxes, interest and penalties for county collections of personal property taxes at the time of the August settlement.

If you have questions regarding this technical memorandum, please contact Rebecca Boldt at 266-6785.